

REFERENCE TITLE: health and welfare; budget reconciliation.

State of Arizona
House of Representatives
Forty-seventh Legislature
Second Regular Session
2006

HB 2739

Introduced by
Representatives Aguirre A, Burton Cahill, Landrum Taylor, Meza, Prezelski,
Sinema, Tom: Alvarez, Bradley, Brown, Chase, Gallardo, Garcia M,
Kirkpatrick, Lopes, Lopez L, Lujan, McCune Davis, Miranda B, Rios P

AN ACT

AMENDING SECTION 25-503, ARIZONA REVISED STATUTES; AMENDING SECTION 36-341, ARIZONA REVISED STATUTES, AS ADDED BY LAWS 2004, CHAPTER 117, SECTION 8; REPEALING SECTION 36-341, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2004, CHAPTER 117, SECTION 9; REPEALING LAWS 2004, CHAPTER 117, SECTIONS 12 AND 13; RELATING TO HEALTH AND WELFARE BUDGET RECONCILIATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 25-503, Arizona Revised Statutes, is amended to
3 read:

4 25-503. Order for support; methods of payment; modification;
5 termination; judgment on arrearages; notice; security

6 A. In any proceeding in which there is at issue the support of a
7 child, the court may order either or both parents to pay any amount necessary
8 for the support of the child. If a personal check for support payments and
9 handling fees is rightfully dishonored by the payor bank or other drawee, any
10 subsequent support payments and handling fees shall be paid only by cash,
11 money order, cashier's check, traveler's check or certified check. The
12 department may collect from the drawer of a dishonored check or draft an
13 amount allowed pursuant to section 44-6852. Pursuant to sections 35-146 and
14 35-147, the department shall deposit monies collected pursuant to this
15 subsection in a child support enforcement administration fund. If a party
16 required to pay support other than by personal check demonstrates full and
17 timely payment for twenty-four consecutive months, that party may pay support
18 by personal check if these payments are for the full amount, are timely
19 tendered and are not rightfully dishonored by the payor bank or other
20 drawee. On a showing of good cause, the court may order that the party or
21 parties required to pay support give reasonable security for these
22 payments. If the court sets an appearance bond and the obligor fails to
23 appear, the bond is forfeited and credited against any support owed by the
24 party required to pay support. This subsection does not apply to payments
25 that are made by means of a wage assignment.

26 B. On a showing that an income withholding order has been ineffective
27 to secure the timely payment of support and that an amount equal to six
28 months of current support has accrued, the court shall require the obligor to
29 give security, post bond or give some other guarantee to secure overdue
30 support.

31 C. In title IV-D cases, and in all other cases subject to an income
32 withholding order issued on or after January 1, 1994, after notice to the
33 party entitled to receive support, the department or its agent may direct the
34 party obligated to pay support or other payor to make payment to the support
35 payment clearinghouse. The department or its agent shall provide notice by
36 first class mail.

37 D. The obligation for current child support shall be fully met before
38 any payments under an order of assignment may be applied to the payment of
39 arrearages. If a party is obligated to pay support for more than one family
40 and the amount available is not sufficient to meet the total combined current
41 support obligation, any monies shall be allocated to each family as follows:

42 1. The amount of current support ordered in each case shall be added
43 to obtain the total support obligation.

44 2. The ordered amount in each case shall be divided by the total
45 support obligation to obtain a percentage of the total amount due.

1 3. The amount available from the obligor's income shall be multiplied
2 by the percentage under paragraph 2 of this subsection to obtain the amount
3 to be allocated to each family.

4 E. Any order for child support may be modified or terminated on a
5 showing of changed circumstance that is substantial and continuing, except as
6 to any amount that may have accrued as an arrearage before the date of notice
7 of the motion or order to show cause to modify or terminate. The addition of
8 health insurance coverage as defined in section 25-531 or a change in the
9 availability of health insurance coverage may constitute a continuing and
10 substantial change in circumstance. Modification and termination are
11 effective on the first day of the month following notice of the petition for
12 modification or termination unless the court, for good cause shown, orders
13 the change to become effective at a different date but not earlier than the
14 date of filing the petition for modification or termination. The order of
15 modification or termination may include an award of attorney fees and court
16 costs to the prevailing party.

17 F. Notwithstanding subsection E of this section, in a title IV-D case
18 a party, or the department or its agent if there is an assignment of rights
19 under section 46-407, may request every three years that an order for child
20 support be reviewed and, if appropriate, adjusted. The request may be made
21 without a specific showing of a changed circumstance that is substantial and
22 continuing. The department or its agent shall conduct the review in
23 accordance with the child support guidelines of this state. If appropriate,
24 the department shall file a petition in the superior court to adjust the
25 support amount. Every three years the department or its agent shall notify
26 the parties of their right to request a review of the order for support. The
27 department or its agent shall notify the parties by first class mail at their
28 last known address or by including the notice in an order.

29 G. If a party in a title IV-D case requests a review and adjustment
30 sooner than three years, the party shall demonstrate a changed circumstance
31 that is substantial and continuing.

32 H. The right of a party entitled to receive support or the department
33 to receive child support payments as provided in the court order vests as
34 each installment falls due. Each vested child support installment is
35 enforceable as a final judgment by operation of law. ~~Unless it is reduced to~~
36 ~~a written money judgment, an unpaid child support judgment that became a~~
37 ~~judgment by operation of law expires three years after the emancipation of~~
38 ~~the last remaining unemancipated child who was included in the court~~
39 ~~order. Beginning on January 1, 2000, child support orders, including~~
40 ~~modified orders, must notify the parties of this expiration date. The filing~~
41 ~~of a request for a written money judgment before the end of that period~~
42 ~~preserves the right to judgment until the court grants a judgment or the~~
43 ~~court denies the request. A request does not need to be filed within three~~
44 ~~years if:~~

~~1. The court later determines that the actions or conduct of an obligor impeded the establishment of a written money judgment, including avoiding service or notice of that action, changing a name or social security number or leaving the state where the last support order was entered without notifying the party to whom support is ordered to be paid or the court or the department of that party's residential and mailing addresses.~~

~~2. The court later finds that the obligor threatened, defrauded or wrongfully coerced the obligee into not filing a request to reduce any support arrearages to a written money judgment.~~

~~I. The department or its agent or a party entitled to receive support may file a request for judgment for support arrearages not later than three years after the emancipation of all of the children who were the subject of the court order. In such a proceeding there is no bar to establishing a money judgment for all of the unpaid child support arrearages for all of the children who were the subject of the court order. Notwithstanding any other law, formal written judgments for support and for associated costs and attorney fees are exempt from renewal and are enforceable until paid in full. If emancipation is disputed, this subsection shall be liberally construed to effect its intention of diminishing the limitation on the collection of child support arrearages.~~

~~J.~~ I. If a party entitled to receive child support or spousal maintenance or the department or its agent enforcing an order of support has not received court ordered payments, the party entitled to receive support or spousal maintenance or the department or its agent may file with the clerk of the superior court a request for judgment of arrearages and an affidavit indicating the name of the party obligated to pay support and the amount of the arrearages. The request must include notice of the requirements of this section and the right to request a hearing within twenty days after service in this state or within thirty days after service outside this state. The request, affidavit and notice must be served pursuant to the Arizona rules of civil procedure on all parties including the department or its agents in title IV-D cases. In a title IV-D case, the department or its agent may serve all parties by certified mail, return receipt requested. Within twenty days after service in this state or within thirty days after service outside this state, a party may file a request for a hearing if the arrearage amount or the identity of the person is in dispute. If a hearing is not requested within the time provided, or if the court finds that the objection is unfounded, the court must review the affidavit and grant an appropriate judgment against the party obligated to pay support.

~~K.~~ J. If after reasonable efforts to locate the obligee the clerk or support payment clearinghouse is unable to deliver payments for a period of one hundred twenty days after the date the first payment is returned as undeliverable due to the failure of a party to whom the support has been ordered to be paid to notify the clerk or support payment clearinghouse of a change in address, the clerk or support payment clearinghouse shall return

1 that and all other unassigned payments to the obligor unless there is an
 2 agreement of the obligor to pay assigned arrears and other debts owed to the
 3 state.

4 ~~+~~ K. If the obligee of a child support order marries the obligor of
 5 the child support order, that order automatically terminates on the last day
 6 of the month in which the marriage takes place and arrearages do not accrue
 7 after that date. However, the obligee or the state may collect child support
 8 arrearages that accrued before that date. The obligee, the obligor or the
 9 department or its agent in a title IV-D case may file a request or
 10 stipulation to terminate or adjust any existing order of assignment, pursuant
 11 to section 25-504 or section 25-505.01.

12 ~~M. For the purposes of subsections H and I of this section, a child is~~
 13 ~~emancipated:~~

- 14 ~~1. On the date of the child's marriage.~~
- 15 ~~2. On the child's eighteenth birthday.~~
- 16 ~~3. When the child is adopted.~~
- 17 ~~4. When the child dies.~~
- 18 ~~5. On the termination of the support obligation if support is extended~~
 19 ~~beyond the age of majority pursuant to section 25-501, subsection A or~~
 20 ~~section 25-320, subsections E and F.~~

21 Sec. 2. Section 36-341, Arizona Revised Statutes, as added by Laws
 22 2004, chapter 117, section 8, is amended to read:

23 36-341. Fees received by state and local registrars

24 A. The state registrar shall establish by rule the fees, if any, to be
 25 charged for searches, copies of registered certificates, certified copies of
 26 registered certificates, amending registered certificates and correcting
 27 certificates.

28 B. In addition to fees collected pursuant to subsection A of this
 29 section, the state registrar shall assess an additional one dollar surcharge
 30 on fees for all certified copies of registered birth certificates. The state
 31 registrar shall deposit, pursuant to sections 35-146 and 35-147, all monies
 32 received from the surcharge in the confidential intermediary and fiduciary
 33 fund established by section 8-135.

34 C. The state registrar shall keep a true and accurate account of all
 35 fees collected by the state registrar under this chapter and, ~~until July 1,~~
 36 ~~2006,~~ shall deposit, pursuant to sections 35-146 and 35-147, forty per cent
 37 of these monies in the vital records electronic systems fund established by
 38 section 36-341.01 and the remaining sixty per cent in the state general
 39 fund. ~~Beginning on July 1, 2006, the state registrar shall deposit, pursuant~~
 40 ~~to sections 35-146 and 35-147, all of these monies in the state general fund.~~

41 D. A local registrar shall keep a true and accurate account of all
 42 fees collected by the local registrar under this chapter and shall deposit
 43 them with the county treasurer to be credited to a special registration and
 44 statistical revenue account of the health department fund.

1 E. In addition to fees collected pursuant to subsection A of this
 2 section, the department shall assess an additional one dollar surcharge on
 3 fees for all certified copies of registered death certificates. The
 4 department shall deposit, pursuant to sections 35-146 and 35-147, monies
 5 received from the surcharge in the child fatality review fund established by
 6 section 36-3504.

7 F. The state registrar may exempt an agency as defined in section
 8 41-1001 from any fee required by this section, section 8-135 or section
 9 36-3504.

10 Sec. 3. Repeal

11 Section 36-341, Arizona Revised Statutes, as amended by Laws 2004,
 12 chapter 117, section 9, is repealed.

13 Sec. 4. Repeal

14 Laws 2004, chapter 117, sections 12 and 13 are repealed.

15 Sec. 5. County acute care contribution; fiscal year 2006-2007

16 A. Notwithstanding section 11-292, Arizona Revised Statutes, for
 17 fiscal year 2006-2007 for the provision of hospitalization and medical care,
 18 the counties shall contribute the following amounts:

19	1. Apache	\$ 268,800
20	2. Cochise	2,214,800
21	3. Coconino	742,900
22	4. Gila	1,413,200
23	5. Graham	536,200
24	6. Greenlee	190,700
25	7. La Paz	212,100
26	8. Maricopa	31,959,200
27	9. Mohave	1,237,700
28	10. Navajo	310,800
29	11. Pima	14,951,800
30	12. Pinal	2,715,600
31	13. Santa Cruz	482,800
32	14. Yavapai	1,427,800
33	15. Yuma	1,325,100

34 B. If a county does not provide funding as specified in subsection A
 35 of this section, the state treasurer shall subtract the amount owed by the
 36 county to the Arizona health care cost containment system and long-term care
 37 system funds established by section 36-2913, Arizona Revised Statutes, from
 38 any payments required to be made by the state treasurer to that county
 39 pursuant to section 42-5029, subsection D, paragraph 2, Arizona Revised
 40 Statutes, plus interest on that amount pursuant to section 44-1201, Arizona
 41 Revised Statutes, retroactive to the first day the funding was due. If the
 42 monies the state treasurer withholds are insufficient to meet that county's
 43 funding requirements as specified in subsection A of this section, the state
 44 treasurer shall withhold from any other monies payable to that county from
 45 whatever state funding source is available an amount necessary to fulfill

1 that county's requirement. The state treasurer shall not withhold
 2 distributions from the highway user revenue fund pursuant to title 28,
 3 chapter 18, article 2, Arizona Revised Statutes.

4 C. Payment of an amount equal to one-twelfth of the total amount
 5 determined pursuant to subsection A of this section shall be made to the
 6 state treasurer on or before the fifth day of each month. On request from
 7 the director of the Arizona health care cost containment system
 8 administration, the state treasurer shall require that up to three months'
 9 payments be made in advance, if necessary.

10 D. The state treasurer shall deposit the amounts paid pursuant to
 11 subsection C of this section and amounts withheld pursuant to subsection B of
 12 this section in the Arizona health care cost containment system and long-term
 13 care system funds established by section 36-2913, Arizona Revised Statutes.

14 E. If payments made pursuant to subsection C of this section exceed
 15 the amount required to meet the costs incurred by the Arizona health care
 16 cost containment system for the hospitalization and medical care of those
 17 persons defined as an eligible person pursuant to section 36-2901, paragraph
 18 6, subdivisions (a), (b) and (c), Arizona Revised Statutes, the director of
 19 the Arizona health care cost containment system administration may instruct
 20 the state treasurer either to reduce remaining payments to be paid pursuant
 21 to this section by a specified amount or to provide to the counties specified
 22 amounts from the Arizona health care cost containment system and long-term
 23 care system funds.

24 F. It is the intent of the legislature that the Maricopa county
 25 contribution pursuant to subsection A of this section shall be reduced in
 26 each subsequent year according to the changes in the GDP price deflator. For
 27 the purposes of this subsection, "GDP price deflator" has the same meaning
 28 prescribed in section 41-563, Arizona Revised Statutes.

29 Sec. 6. Hospitalization and medical care contribution; fiscal
 30 year 2006-2007

31 A. Notwithstanding any other law, for fiscal year 2006-2007, beginning
 32 with the second monthly distribution of transaction privilege tax revenues,
 33 the state treasurer shall withhold the following amounts from state
 34 transaction privilege tax revenues otherwise distributable, after any amounts
 35 withheld for the county long-term care contribution or the county
 36 administration contribution pursuant to section 11-292, subsection P, Arizona
 37 Revised Statutes, for deposit in the Arizona health care cost containment
 38 system fund established by section 36-2913, Arizona Revised Statutes, for the
 39 provision of hospitalization and medical care:

40	1. Apache	\$87,300
41	2. Cochise	\$162,700
42	3. Coconino	\$160,500
43	4. Gila	\$65,900
44	5. Graham	\$46,800
45	6. Greenlee	\$12,000

1	7. La Paz	\$24,900
2	8. Mohave	\$187,400
3	9. Navajo	\$122,800
4	10. Pima	\$1,115,900
5	11. Pinal	\$218,300
6	12. Santa Cruz	\$51,600
7	13. Yavapai	\$206,200
8	14. Yuma	\$183,900

9 B. If a county does not provide funding as specified in subsection A
10 of this section, the state treasurer shall subtract the amount owed by the
11 county to the Arizona health care cost containment system fund from any
12 payments required to be made by the state treasurer to that county pursuant
13 to section 42-5029, subsection D, paragraph 2, Arizona Revised Statutes, plus
14 interest on that amount pursuant to section 44-1201, Arizona Revised
15 Statutes, retroactive to the first day the funding was due. If the monies
16 the state treasurer withholds are insufficient to meet that county's funding
17 requirement as specified in subsection A of this section, the state treasurer
18 shall withhold from any other monies payable to that county from whatever
19 state funding source is available an amount necessary to fulfill that
20 county's requirement. The state treasurer shall not withhold distributions
21 from the highway user revenue fund pursuant to title 28, chapter 18, article
22 2, Arizona Revised Statutes.

23 C. Payment of an amount equal to one-twelfth of the total monies
24 prescribed pursuant to subsection A of this section shall be made to the
25 state treasurer on or before the fifth day of each month. On request from
26 the director of the Arizona health care cost containment system
27 administration, the state treasurer shall require that up to three months'
28 payments be made in advance, if necessary.

29 D. The state treasurer shall deposit the monies paid pursuant to
30 subsection C of this section in the Arizona health care cost containment
31 system fund established by section 36-2913, Arizona Revised Statutes.

32 E. In fiscal year 2006-2007, the sum of \$2,646,200 withheld pursuant
33 to subsection A or B of this section, as applicable, is allocated for the
34 county acute care contribution for the provision of hospitalization and
35 medical care services administered by the Arizona health care cost
36 containment system administration.

37 Sec. 7. Withholding state shared revenues; fiscal year
38 2006-2007

39 A. Based on the distribution of disproportionate share funding to
40 county operated hospitals made pursuant to section 36-2903.01, subsection P,
41 Arizona Revised Statutes, for fiscal year 2006-2007, the staff director of
42 the joint legislative budget committee shall compute amounts to be withheld
43 from transaction privilege tax revenues for counties with a population of at
44 least one million five hundred thousand persons pursuant to subsection B of
45 this section.

1 B. Notwithstanding section 42-5029, subsection D, paragraph 2, Arizona
2 Revised Statutes, beginning with the first monthly distribution of
3 transaction privilege tax revenues and at the direction of the governor, the
4 state treasurer shall withhold an amount totaling \$84,652,400 from state
5 transaction privilege tax revenues otherwise distributable, after any amounts
6 withheld for the county long-term care contribution for fiscal year 2006-2007
7 from counties with a population of at least one million five hundred thousand
8 persons. Amounts withheld from individual counties under this subsection
9 shall be determined pursuant to subsection A of this section.

10 C. In addition to the amount specified in subsection B of this
11 section, the state treasurer may also withhold transaction privilege tax
12 revenues in fiscal year 2007-2008 if amounts withheld pursuant to subsection
13 B of this section for fiscal year 2006-2007 are insufficient.

14 D. If changes in federal policies regarding the disproportionate share
15 funding to county operated hospitals reduces payment levels below the amount
16 specified in the fiscal year 2006-2007 general appropriations act, the
17 governor, after consultation with chairpersons of the house and senate
18 appropriations committees, may direct the state treasurer to suspend
19 withholdings of transaction privilege tax revenues specified in subsection B
20 of this section to accommodate the federal policy change.

21 Sec. 8. Competency restoration treatment; city and county
22 reimbursement; fiscal year 2006-2007; deposit; tax
23 withholding

24 A. Notwithstanding section 13-4512, Arizona Revised Statutes, for
25 cities and counties, if the state pays the costs of a defendant's inpatient
26 competency restoration treatment pursuant to section 13-4512, Arizona Revised
27 Statutes, the city or county shall reimburse the department of health
28 services for eighty-six per cent of these costs for fiscal year 2006-2007
29 except for those counties with populations of less than eight hundred
30 thousand persons who shall pay fifty per cent of these costs for fiscal year
31 2006-2007. The department shall deposit the monies, pursuant to sections
32 35-146 and 35-147, Arizona Revised Statutes, in the Arizona state hospital
33 fund established by section 36-545.08, Arizona Revised Statutes.

34 B. Each city and county shall make the reimbursements for these costs
35 as specified in subsection A of this section within thirty days after a
36 request by the department. If the city or county does not make the
37 reimbursement, the superintendent of the Arizona state hospital shall notify
38 the state treasurer of the amount owed and the treasurer shall withhold the
39 amount, including any additional interest as provided in section 42-1123,
40 Arizona Revised Statutes, from any transaction privilege tax distributions to
41 the city or county. The treasurer shall deposit the withholdings, pursuant
42 to sections 35-146 and 35-147, Arizona Revised Statutes, in the Arizona state
43 hospital fund established by section 36-545.08, Arizona Revised Statutes.

1 Sec. 9. Suicide prevention program: suspension

2 Notwithstanding section 36-3415, Arizona Revised Statutes, the
3 department of health services shall not operate a suicide prevention program
4 in fiscal year 2006-2007 unless new federal monies that do not require state
5 matching monies are received for the operation of the program.

6 Sec. 10. Children's health insurance program: parents
7 eligibility; fiscal year 2006-2007

8 A. Notwithstanding any other law, for fiscal year 2006-2007, a parent
9 of a child who is eligible for or enrolled in the children's health insurance
10 program or a parent who has a child enrolled under title 36, chapter 29,
11 article 1, Arizona Revised Statutes, but who would be eligible for the
12 children's health insurance program is eligible for the children's health
13 insurance program as defined in title 36, chapter 29, article 4, Arizona
14 Revised Statutes, and may apply for eligibility based on an income that does
15 not exceed two hundred per cent of the federal poverty level.

16 B. In determining eligibility pursuant to subsection A of this
17 section, the administration shall apply other eligibility requirements
18 pursuant to sections 36-2981 and 36-2983, Arizona Revised Statutes, and rules
19 adopted by the administration. If the parent is determined eligible pursuant
20 to this section, all other requirements established by the administration by
21 rule, including premium payment requirements and available services, in title
22 36, chapter 29, article 4, Arizona Revised Statutes, apply.

23 Sec. 11. Transfer of TANF benefits; review

24 Notwithstanding Laws 2005, chapter 286, section 29, any transfer to or
25 from monies appropriated for temporary assistance for needy families cash
26 benefits shall not require review by the joint legislative budget committee.

27 Sec. 12. Emergency

28 This act is an emergency measure that is necessary to preserve the
29 public peace, health or safety and is operative immediately as provided by
30 law.